

**Introduced by Committee on Governance and Finance (Senators Hertzberg (Chair), Beall, Hernandez, Lara, Moorlach, Nguyen, and Pavley)**

February 8, 2016

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An act to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, and to provide limitations of time in which actions may be commenced.

LEGISLATIVE COUNSEL'S DIGEST

SB 973, as introduced, Committee on Governance and Finance. Validations.

This bill would enact the Third Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Third Validating Act of 2016.
- 3 SEC. 2. As used in this act:
- 4 (a) "Public body" means all of the following:
- 5 (1) The state and all departments, agencies, boards,
- 6 commissions, and authorities of the state. Except as provided in
- 7 paragraph (2), "public body" also means all cities, counties, cities
- 8 and counties, districts, authorities, agencies, boards, commissions,

- 1 and other entities, whether created by a general statute or a special
- 2 act, including, but not limited to, the following:
- 3 Agencies, boards, commissions, or entities constituted or
- 4 provided for under or pursuant to the Joint Exercise of Powers Act
- 5 (Chapter 5 (commencing with Section 6500) of Division 7 of Title
- 6 1 of the Government Code).
- 7 Air pollution control districts of any kind.
- 8 Air quality management districts.
- 9 Airport districts.
- 10 Assessment districts, benefit assessment districts, and special
- 11 assessment districts of any public body.
- 12 Bridge and highway districts.
- 13 California water districts.
- 14 Citrus pest control districts.
- 15 City maintenance districts.
- 16 Community college districts.
- 17 Community development commissions in their capacity to act
- 18 as a housing authority for other community development purposes
- 19 of the jurisdiction in which the commission operates, except for
- 20 any action taken with respect to the commission's authority to act
- 21 as a community redevelopment agency.
- 22 Community facilities districts.
- 23 Community rehabilitation districts.
- 24 Community revitalization and investment authorities.
- 25 Community services districts.
- 26 Conservancy districts.
- 27 Cotton pest abatement districts.
- 28 County boards of education.
- 29 County drainage districts.
- 30 County flood control and water districts.
- 31 County free library systems.
- 32 County maintenance districts.
- 33 County sanitation districts.
- 34 County service areas.
- 35 County transportation commissions.
- 36 County water agencies.
- 37 County water authorities.
- 38 County water districts.
- 39 County waterworks districts.

1 Department of Water Resources and other agencies acting  
2 pursuant to Part 3 (commencing with Section 11100) of Division  
3 6 of the Water Code.  
4 Distribution districts of any public body.  
5 Drainage districts.  
6 Enhanced infrastructure financing districts.  
7 Fire protection districts.  
8 Flood control and water conservation districts.  
9 Flood control districts.  
10 Garbage and refuse disposal districts.  
11 Garbage disposal districts.  
12 Geologic hazard abatement districts.  
13 Harbor districts.  
14 Harbor improvement districts.  
15 Harbor, recreation, and conservation districts.  
16 Health care authorities.  
17 Highway districts.  
18 Highway interchange districts.  
19 Highway lighting districts.  
20 Housing authorities.  
21 Improvement districts or improvement areas of any public body.  
22 Industrial development authorities.  
23 Infrastructure financing districts.  
24 Integrated financing districts.  
25 Irrigation districts.  
26 Joint highway districts.  
27 Levee districts.  
28 Library districts.  
29 Library districts in unincorporated towns and villages.  
30 Local agency formation commissions.  
31 Local health care districts.  
32 Local health districts.  
33 Local hospital districts.  
34 Local transportation authorities or commissions.  
35 Maintenance districts.  
36 Memorial districts.  
37 Metropolitan transportation commissions.  
38 Metropolitan water districts.  
39 Mosquito abatement and vector control districts.  
40 Multifamily improvement districts.

- 1 Municipal improvement districts.
- 2 Municipal utility districts.
- 3 Municipal water districts.
- 4 Nonprofit corporations.
- 5 Nonprofit public benefit corporations.
- 6 Open-space maintenance districts.
- 7 Parking and business improvement areas.
- 8 Parking authorities.
- 9 Parking districts.
- 10 Permanent road divisions.
- 11 Pest abatement districts.
- 12 Police protection districts.
- 13 Port districts.
- 14 Property and business improvement areas.
- 15 Protection districts.
- 16 Public cemetery districts.
- 17 Public utility districts.
- 18 Rapid transit districts.
- 19 Reclamation districts.
- 20 Recreation and park districts.
- 21 Regional justice facility financing agencies.
- 22 Regional park and open-space districts.
- 23 Regional planning districts.
- 24 Regional transportation commissions.
- 25 Resort improvement districts.
- 26 Resource conservation districts.
- 27 River port districts.
- 28 Road maintenance districts.
- 29 Sanitary districts.
- 30 School districts of any kind or class.
- 31 School facilities improvement districts.
- 32 Separation of grade districts.
- 33 Service authorities for freeway emergencies.
- 34 Sewer districts.
- 35 Sewer maintenance districts.
- 36 Small craft harbor districts.
- 37 Special municipal tax districts.
- 38 Stone and pome fruit pest control districts.
- 39 Storm drain maintenance districts.
- 40 Storm drainage districts.

1 Storm drainage maintenance districts.  
2 Storm water districts.  
3 Toll tunnel authorities.  
4 Traffic authorities.  
5 Transit development boards.  
6 Transit districts.  
7 Unified and union school districts' public libraries.  
8 Vehicle parking districts.  
9 Water agencies.  
10 Water authorities.  
11 Water conservation districts.  
12 Water districts.  
13 Water replenishment districts.  
14 Water storage districts.  
15 Watermaster districts.  
16 Wine grape pest and disease control districts.  
17 Zones, improvement zones, or service zones of any public body.  
18 (2) Notwithstanding paragraph (1), a "public body" does not  
19 include any of the following:  
20 (A) A community redevelopment agency formed pursuant to  
21 the Community Redevelopment Law (Part 1 (commencing with  
22 Section 33000) of Division 24 of the Health and Safety Code).  
23 (B) A community development commission, with respect to its  
24 exercise of the powers of a community redevelopment agency.  
25 (C) A joint powers authority that includes a community  
26 redevelopment agency or a community development commission  
27 as a member, with respect to its exercise of the powers of a  
28 community redevelopment agency.  
29 (3) "Public body" includes both of the following:  
30 (A) The successor agency to the Redevelopment Agency of the  
31 City and County of San Francisco, solely for the purpose of issuing  
32 bonds or incurring other indebtedness pursuant to the provisions  
33 of Section 34177.7 of the Health and Safety Code.  
34 (B) A successor agency, as defined in subdivision (j) of Section  
35 34171 of the Health and Safety Code, solely for the purpose of  
36 issuing bonds or incurring other indebtedness pursuant to the  
37 provisions of Section 34177.5 of the Health and Safety Code.  
38 (b) "Bonds" means all instruments evidencing an indebtedness  
39 of a public body incurred or to be incurred for any public purpose,  
40 all leases, installment purchase agreements, or similar agreements

1 wherein the obligor is one or more public bodies, all instruments  
2 evidencing the borrowing of money in anticipation of taxes,  
3 revenues, or other income of that body, all instruments payable  
4 from revenues or special funds of those public bodies, all  
5 certificates of participation evidencing interests in the leases,  
6 installment purchase agreements, or similar agreements, and all  
7 instruments funding, refunding, replacing, or amending any thereof  
8 or any indebtedness.

9 (c) “Hereafter” means any time subsequent to the effective date  
10 of this act.

11 (d) “Heretofore” means any time prior to the effective date of  
12 this act.

13 (e) “Now” means the effective date of this act.

14 SEC. 3. All public bodies heretofore organized or existing  
15 under any law, or under color of any law, are hereby declared to  
16 have been legally organized and to be legally functioning as those  
17 public bodies. Every public body, heretofore described, shall have  
18 all the rights, powers, and privileges, and be subject to all the duties  
19 and obligations, of those public bodies regularly formed pursuant  
20 to law.

21 SEC. 4. The boundaries of every public body as heretofore  
22 established, defined, or recorded, or as heretofore actually shown  
23 on maps or plats used by the assessor, are hereby confirmed,  
24 validated, and declared legally established.

25 SEC. 5. All acts and proceedings heretofore taken by any public  
26 body or bodies under any law, or under color of any law, for the  
27 annexation or inclusion of territory into those public bodies or for  
28 the annexation of those public bodies to any other public body or  
29 for the detachment, withdrawal, or exclusion of territory from any  
30 public body or for the consolidation, merger, or dissolution of any  
31 public bodies are hereby confirmed, validated, and declared legally  
32 effective. This shall include all acts and proceedings of the  
33 governing board of any public body and of any person, public  
34 officer, board, or agency heretofore done or taken upon the question  
35 of the annexation or inclusion or of the withdrawal or exclusion  
36 of territory or the consolidation, merger, or dissolution of those  
37 public bodies.

38 SEC. 6. (a) All acts and proceedings heretofore taken by or  
39 on behalf of any public body under any law, or under color of any  
40 law, for, or in connection with, the authorization, issuance, sale,

1 execution, delivery, or exchange of bonds of any public body for  
2 any public purpose are hereby authorized, confirmed, validated,  
3 and declared legally effective. This shall include all acts and  
4 proceedings of the governing board of public bodies and of any  
5 person, public officer, board, or agency heretofore done or taken  
6 upon the question of the authorization, issuance, sale, execution,  
7 delivery, or exchange of bonds.

8 (b) All bonds of, or relating to, any public body heretofore issued  
9 shall be, in the form and manner issued and delivered, the legal,  
10 valid, and binding obligations of the public body. All bonds of, or  
11 relating to, any public body heretofore awarded and sold to a  
12 purchaser and hereafter issued and delivered in accordance with  
13 the contract of sale and other proceedings for the award and sale  
14 shall be the legal, valid, and binding obligations of the public body.  
15 All bonds of, or relating to, any public body heretofore authorized  
16 to be issued by ordinance, resolution, order, or other action adopted  
17 or taken by or on behalf of the public body and hereafter issued  
18 and delivered in accordance with that authorization shall be the  
19 legal, valid, and binding obligations of the public body. All bonds  
20 of, or relating to, any public body heretofore authorized to be issued  
21 at an election and hereafter issued and delivered in accordance  
22 with that authorization shall be the legal, valid, and binding  
23 obligations of the public body. Whenever an election has heretofore  
24 been called for the purpose of submitting to the voters of any public  
25 body the question of issuing bonds for any public purpose, those  
26 bonds, if hereafter authorized by the required vote and in  
27 accordance with the proceedings heretofore taken, and issued and  
28 delivered in accordance with that authorization, shall be the legal,  
29 valid, and binding obligations of the public body.

30 SEC. 7. (a) This act shall operate to supply legislative  
31 authorization as may be necessary to authorize, confirm, and  
32 validate any acts and proceedings heretofore taken pursuant to  
33 authority the Legislature could have supplied or provided for in  
34 the law under which those acts or proceedings were taken.

35 (b) This act shall be limited to the validation of acts and  
36 proceedings to the extent that the same can be effectuated under  
37 the California Constitution and the United States Constitution.

38 (c) This act shall not operate to authorize, confirm, validate, or  
39 legalize any act, proceeding, or other matter being legally contested  
40 or inquired into in any legal proceeding now pending and

1 undetermined or that is pending and undetermined during the  
2 period of 30 days from and after the effective date of this act.

3 (d) This act shall not operate to authorize, confirm, validate, or  
4 legalize any act, proceeding, or other matter that has heretofore  
5 been determined in any legal proceeding to be illegal, void, or  
6 ineffective.

7 (e) This act shall not operate to authorize, confirm, validate, or  
8 legalize a contract between any public body and the United States.

9 SEC. 8. Any action or proceeding contesting the validity of  
10 any action or proceeding heretofore taken under any law, or under  
11 color of any law, for the formation, organization, or incorporation  
12 of any public body, or for any annexation thereto, detachment or  
13 exclusion therefrom, or other change of boundaries thereof, or for  
14 the consolidation, merger, or dissolution of any public bodies, or  
15 for, or in connection with, the authorization, issuance, sale,  
16 execution, delivery, or exchange of bonds thereof upon any ground  
17 involving any alleged defect or illegality not effectively validated  
18 by the prior provisions of this act and not otherwise barred by any  
19 statute of limitations or by laches shall be commenced within six  
20 months of the effective date of this act, otherwise each and all of  
21 those matters shall be held to be valid and in every respect legal  
22 and incontestable. This act shall not extend the period allowed for  
23 legal action beyond the period that it would be barred by any  
24 presently existing valid statute of limitations.

25 SEC. 9. Nothing contained in this act shall be construed to  
26 render the creation of any public body, or any change in the  
27 boundaries of any public body, effective for purposes of assessment  
28 or taxation unless the statement, together with the map or plat,  
29 required to be filed pursuant to Chapter 8 (commencing with  
30 Section 54900) of Part 1 of Division 2 of Title 5 of the Government  
31 Code, is filed within the time and substantially in the manner  
32 required by those sections.